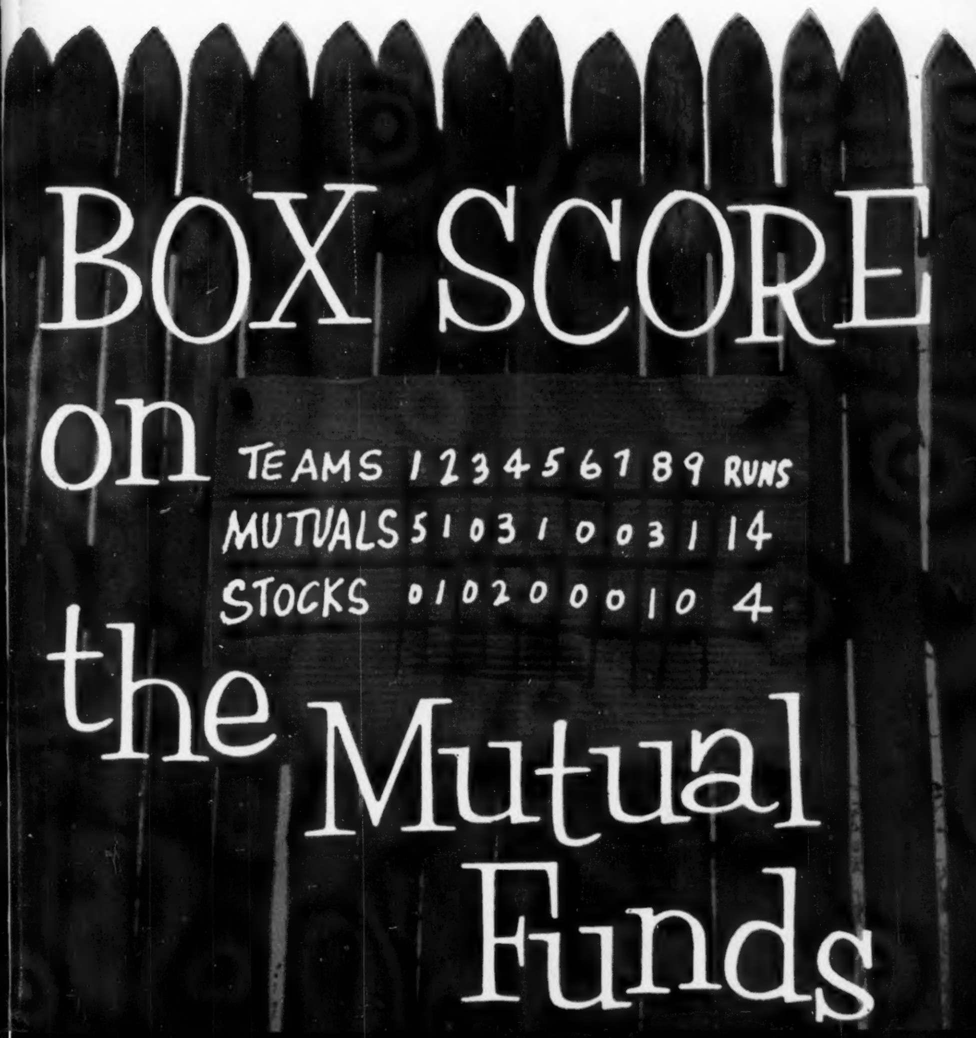
dental management

APRIL 1961

THE NATIONAL BUSINESS MAGAZINE FOR DENTISTS



BOX SCORE on the Mutual Funds

YOU . . . and the News

CARD CARRYING DENTISTS: The nation's first collective bargaining association for doctors has just been formed. It covers some 700 dentists and physicians working for the New York City Department of Health. The association's immediate goals: a doubling of the $5 hourly fee now being paid, a grievance board, guaranteed tenure, higher pensions, and a yearly contract.

DIVIDEND YIELDS ON COMMON STOCKS ARE HEADED UP, after a two-year slide, reports the New York Stock Exchange. Average return on Big Board stocks was 4.2 per cent at year-end, compared to 3.8 per cent a year earlier. If you're looking for really juicy yields, you can now find that, too. At Dec. 30, 160 stocks paid at least 6 per cent; seven paid 10 per cent or better.

IF YOUR YOUNGSTER DID A LITTLE PART-time work last year, make sure he files a tax return. He'll get a refund of the taxes withheld—but only if he files. If the child is a student and you provide most of his support, you'll still be able to claim him as your exemption.

YOU CAN COUNT ON A MUCH GREATER DEMAND for your services from patients joining dental insurance plans. So shows a new study of patients before and after they

joined the Group Health Association plan in Washington, D. C. The joiners averaged one extra dental visit a year, and ran up bigger bills for diagnosis, plastic fillings, inlays, crowns, and bridges.

IF IT'S TAX-FREE INCOME YOU WANT, look into a brand new kind of mutual fund. These funds invest their assets in tax-exempt municipal bonds. Under a recent I.R.S. ruling, the dividends they pay are also tax exempt. Thus, you can get the tax break of a municipal bond, plus the diversification of a mutual fund. The first such fund, Municipal Investment Trust; has just gone on the market. A second, Tax-Exempt Public Bond Fund, is awaiting S.E.C. clearance.

WATCH OUT FOR A "PREPAYMENT CLAUSE" in any new home mortgage you take out. One out of five banks still requires it, according to a new survey by the American Bankers Association. If you have to sell your house and pay off the mortgage, you'd be socked with a penalty—usually 1 per cent of the original amount of the loan.

THE PRICE OF A GUARANTEED RETIREMENT INCOME may be less than you expected. Thanks to higher earnings on their investments, many top insurance companies now are dropping the rates on their annuity contracts. One of the biggest companies used to charge a 65-year-old man $15,910 for a $100-a-month annuity. It just slashed the premium to $14,180.

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THE NATIONAL BUSINESS MAGAZINE FOR DENTISTS

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The Publisher's

VIEW

The Mutuals

Nothing seems to slow the mutual funds. In peace or war, prosperity or recession, they continue to grow.

Last year was no exception. Despite a spotty and erratic market, the net assets of the funds topped $17 billion on Dec. 31, up $1.2 billion from the year before. "By 1980, mutual funds could easily be a $100 billion business," says stockbroker Arthur Wiesenberger, whose annual book on the funds has become the bible of the industry.

Even now, nearly 3,000,000 persons own mutual fund shares. Roughly one out of every four persons investing in common stocks does so through a fund.

How well founded is that massive vote of confidence? As a first step toward the answer, see the article, "Boxscore on Mutual Funds," beginning on page 28 of this issue. It reveals the statistical record of the funds for last year and other periods in the past. But in deciding whether you should invest in a fund, you have to know much more than raw numbers. For example:

- Of all the different types of mutual funds, which is best suited to your particular circumstances?
- What special features or privileges can you get through your fund? Which are worthwhile and which are not?
- Does it pay for you to buy fund shares through one of those contractual accumulation plans?
- What are the alternative ways of getting professional management for your investments, and how do they compare to the funds?

To every present and potential fund investor, those are all vital questions. And all will be answered in future issues of DENTAL MANAGEMENT. END

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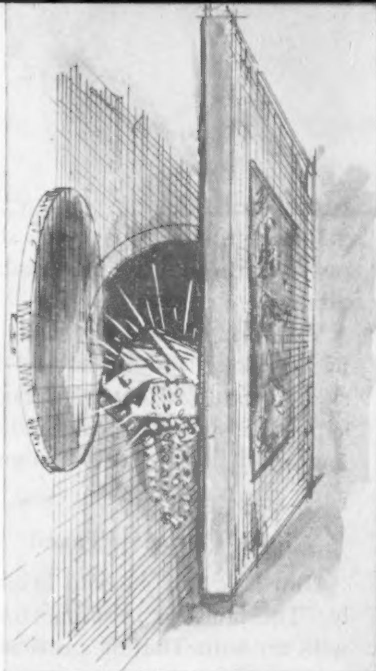


YOU AND YOUR SECRET ESTATE

You may be richer than you think. Take a look at your estate the way the Tax Man sees it

By SOLOMON HUBER

"WHO me? Estate tax problem? I wish I did have one. You don't owe anything unless your estate runs over $60,000. And that lets me out."

When it comes to estate taxes, as in most things, a little knowledge is a dangerous thing. It's true that you're not liable for any Federal estate taxes unless your estate runs over $60,000. But a man's estate is a bit like an iceberg. Nine-tenths is hidden beneath the surface. And while you may not be able to see an estate tax problem, the tax collector probes a little deeper. What he finds—and the tax he levies—can seriously jar your family security.

To show you what I mean, let's go on with the little monologue started above. The speaker was a Connecticut dentist who visited my office a few months ago. I'll call him Dr. Small.

The author, a general agent of The Mutual Benefit Life Insurance Company, heads his own estate planning firm in New York City. He is editor of *The Estate Planner's Quarterly,* and frequently writes and lectures on the subject.

"Of course, I have a few thousand dollars in the bank," said Dr. Small, "and some money in the stock market. But that's it."

I reached for a pencil and pad. "Just how much do you have in the bank and how much invested?" I asked.

"I have about $1,000 in a checking account and $4,000 in a savings account. I invested about $5,000 in the stock market."

I jotted down the bank account figures, but not his investments. "That $5,000 is what you paid for the stocks, isn't it?" I asked. "What counts is the present *market value,* not the original cost."

Present Market Value

Dr. Small thought a few moments. "I bought those securities some time ago, and I did pretty well with them. I don't know to the dollar what they're worth now, but it must be something around $10,000."

I added the $10,000 to the list I was compiling. "You've got other things that must have appreciated in value, haven't you? How about your home? Your equity in it—the current market value less any mortgage you still owe—is also part of your taxable estate."

That surprised Dr. Small. "I hadn't thought of my house," he said. "I paid $20,000 for it, but I suppose it's worth about $25,000 now. And I've worked the mortgage down to $10,000."

Joint Property Taxed

"But hold on," he said brightly. "The house is in joint names with my wife. That means it isn't subject to estate taxes. Or only half of it is. Right?"

"Wrong. The whole thing will be taxed in your estate if you die before your wife—unless she can prove she actually put up the money to help buy it. Few women work and earn enough for that, so the husband's estate is usually socked with the whole tax load. The same rule goes for any jointly-held stocks, bonds, or savings accounts you share with your wife."

Dr. Small was feeling a bit uneasy now, and he leaned over my shoulder to look at the list. The score against him was up to

Are You Richer Than You Think?

Fill out this quick inventory of your wealth and find out. Include all jointly-held property to the extent you paid for it. List all assets at their current market value. Estimate the figures if you have to. If the final total runs to more than about $40,000 or $50,000, it's time for you to start doing some serious thinking about estate planning.

Bank deposits	$______
Stocks	______
Bonds	______
Mortgages owned	______
Real estate	______
Home	______
Contents of home	______
Office	______
Personal effects	______
Dental equipment and office	______
Life insurance	______
Accounts receivable	______
Other money owed to you	______
Total	$______

Less:

Mortgages owed	$______
Bank and other loans	______
Insurance loans	______

Total	$______
Your net worth	$______

$30,000, still far from the $60,000 tax threshold. But I knew it had a lot higher to go.

"How about your practice?" I asked Dr. Small. "You own an office building, dental equipment and instruments, office furnishings, and fixtures. And there's that little matter of accounts receivable. They're all part of your '*cash-value*' and all are subject to estate taxes."

Office Building Taxed

Dr. Small picked up his own pencil and began to work out the figures. "Of course, I don't know the exact amounts offhand, but I think it works out something like this: equity in my office building, $10,000; dental equipment, $4,000; office furnishings, $5,000; accounts receivable, $1,500."

The total of those items came to $20,500, and I marked it down. Now I was ready to ask about the juiciest item of them all. "How much life insurance do you own?"

"About $60,000 worth in all. But that's not taxable," the doctor protested. "The life insurance agent said so when he sold me the policies."

"What he told you, I'm sure, is that the *death benefit* of your insurance isn't subject to *income* taxes. And it's not. But it is hit by *estate* taxes." I added the $60,000 to my lengthening score.

"Anything more?" asked Dr. Small grimly.

"A couple of other things that I can see," I answered, "and maybe a few things I can't see. I notice that you drove up to my office in an expensive, late-model car, and that's a beautiful diamond ring you have on your finger. Both go into the estate tax jackpot. And so do all other valuables you own, such as stamp or coin collections, works of art, a boat, a summer home, and so forth."

Dr. Small's temperature was rising. "Next thing you know," he almost shouted, "they'll be taxing the shirt off my back."

"That brings us to the last major item," I said with a smile. "As part of your estate tax return, your executor must prepare a room-by-room inventory of

everything in your home. It'll include your furniture, appliances, other personal property and—quite literally—the shirt you're now wearing."

I didn't have full information on all of Dr. Small's assets but, based on the facts he had given me, I could reach a reasonable estimate of his estate. It came to $124,000.

Debts Deducted

"Of course, you're allowed some deductions," I explained. "You can subtract all your debts, funeral expenses, executor and legal expenses, and state inheritance taxes you pay. All of those together might shrink your taxable estate down to about $120,000."

"And the tax I'd have to pay?"

"That's largely up to you. If you handled your estate one way, you might have to pay as much as $9,340. Or you could owe nothing. That's where estate planning comes in."

"Well, let's plan," snorted Dr. Small.

And so we did. The specific suggestions I made to Dr. Small are beyond the scope of this article. The only point I'm trying to make is this: If you own so much as one suit of clothes, you have an estate. And if, like almost every dentist, you own some property, a bank account, a dental office, and some life insurance, you may face an estate tax problem you never knew existed.

Your life insurance may not be set up to do the most good for you. Your will (if you have one) may badly be in need of revision by your attorney. You may own securities your executor may not even be able to locate. Your estate may be destined to pay needless and possibly excessive taxes. And, of course, taxes are only *one reason* for planning your estate. Sound arrangements to protect your beneficiaries are just as important.

Many dentists, when they get around to planning their estates, are startled to learn that they are among the affected and afflicted, at least so far as taxes are concerned. Fill out the checklist of your assets with this article—and see if that includes you. END

HOW (AND HOW NOT) TO TERRIFY YOUR PATIENTS

Fear is the greatest enemy of good dental care. But you can grapple with it—and win

By JOHN VAN OST, D.D.S.

WHEN'S the last time you saw a cartoon or slapstick comedy showing a dentist bent knee-on-chest over his victim, yanking a tooth with an outsized pair of pliers?

Very funny! It's this sort of tomfoolery that identifies dentists with pain—with possibly dangerous results.

One highly-intelligent woman I know admits she needs treat-

ment but, she says, "I can't get up the courage. I've put it off for years and sometimes the pain is terrible. But I still don't dare have it taken care of."

This legacy of pain, inherited from dentistry's early days, is a frightening thing. And it's our duty to erase it. Unwittingly, some dentists do just the opposite.

A Wooden Mallet

A few months ago, I dropped in on a colleague of mine for lunch. Dr. Kay, as I'll call him, is a woodworking buff. And he has his shop just off his waiting room.

As I walked into his office, I noticed that the door to his shop was ajar. And there, in plain view of his waiting patients, was the doctor's proud collection of chisels, saws, power tools, and a massive wooden mallet.

Extreme example? Of course. But many dentists achieve almost the same effect—simply by leaving the door to their operating room or laboratory open. The sound of a model trimmer, buffer, or lathe, is hardly the thing to lull an apprehensive patient sitting in your waiting room.

Who are our patients anyhow? Joe Jones, corporation vice president, or Mary James, civic leader? On the surface only. A successful executive or a prominent clubwoman is only yesterday's child, frightened and poorly informed, led halting and trembling to the dental chair. We have a rehabilitation job to do on their thinking, as well as on their teeth.

When a patient calls a dental office for his first appointment he usually has no idea what's involved. Worry about the financial end of it may have delayed his initial call a little while. Fear of pain probably has delayed it much more. Seldom does a new patient need only a prophylaxis. Usually, an aching tooth finally propels him toward the telephone.

Thirteen years of practice have taught me quite a bit about how to handle that fear of pain. It should begin right with the

A separate area for the kids helps keep their mind off their coming treatment.

patient's initial phone call.

When a new patient calls my office for an appointment, a honey-voiced secretary makes it her business to be sweet and soothing. "I'm sure you'll be feeling much better soon," she says, or words to that effect. And when the patient hangs up he thinks to himself: "I'm a pretty smart guy for having my teeth attended to. Things aren't going to be so bad after all."

I don't give him a chance to change his mind. Immediately after the phone call, I send a personal letter out to him. In it, I thank him for his confidence and explain that at the first visit I take X-rays, make a study model if needed, and give a complete examination. The second visit is for a diagnosis and recommendations.

The letter tells the patient that the first two visits aren't going to hurt because they aren't operative. He sighs in relief. For two visits, at least, he's *safe!* And so, he saunters into the office the first time like a Congressional Medal of Honor winner.

Everything in the office is engineered to maintain that feeling. I called in a professional decorator and ordered her to produce a waiting room that didn't look like an ordinary office. I didn't want anything smacking of steel cabinets, sterile instruments, or anesthesia.

The decorator divided the waiting room with an aquarium, explaining that patients would associate water and fish with the seashore and vacation. Besides, it would interest the kids.

Our decorator allowed nothing

brilliant or garish in the room to excite or stimulate. Instead, she stayed with the colors of blue, green, and sand, same as in the aquarium. "Nature's colors are soothing and restful," she explained.

The music helps, too. It's semiclassical and is piped softly throughout the office.

Even my operating room is restful. A large, floor-length picture window looks out on a pastoral scene of hugh elms and a grove. Dentists with city practices normally can't arrange this. Many suburban dentists can—but don't bother.

Everything around the office and the waiting room acts as an opiate, an atmosphere calculated to set the patient's nerves at rest. The first two visits, as we promised the patient, go painlessly. Now he's ready for the operative work.

If the patient seems nervous or anxious, I prescribe a tranquilizer to be taken before the visit. But I don't stop there. I have a couple of other operative rules I always observe to help

An aquarium divides Dr. Van Ost's waiting room. "I didn't want anything there to remind patients of a dental office," he says. "Water makes them think of the seashore and vacations."

calm frightened patients.

I *never* let the patient see any instruments that might arouse fear. I have my chairside assistant bring up syringes and needles and hand them to me from behind. I then take them to the patient from the side. This isn't to be sneaky. Some patients can't bear the sight of a needle and, there's no need for them to see it.

I handle surgical instruments in the same manner. They simply aren't in evidence on the bracket table. Why invite anxiety?

Careful treatment planning can also go a long way toward building a patient's confidence in you. Try to do the easy and painless work during the early visits. After you've won him over and calmed his anxiety, you can then go on to the more tedious and more painful part of the treatment.

The words you use are important, too.

I once heard a dentist say to a patient: "Let me know if the pain grows too much for you to bear."

For the nervous patient, this kind of talk is an invitation to get up and run. Instead, I say: "Just tell me if this bothers you too much."

Answering the questions of apprehensive patients is a skill in itself. I remember one attractive lady who came into my office with an impacted tooth.

"Will I lose the tooth?" she asked fearfully.

Better Answer

The answer I had to give her was yes, but there was a nicer way to put it.

"Your appearance will certainly be improved after it's taken out. We can fit a better-looking replacement with no trouble. You'll chew better, too."

That satisfied her. As I suspected, she was far more concerned about her appearance than about the pain.

There's an important psychological point involved there. When a patient is worried about today's pain, try to focus her attention on tomorrow's comfort, health, and appearance. And if possible, try to give some indica-

tion of how long the present pain will last.

Nothing is as frightening as uncertainty. To a patient undergoing extensive treatment, the sweetest words are: "We'll have the uncomfortable part of the work finished in two more visits." This sets a time limit on the pain. The patient knows it will end, he knows when, and he can look forward to it.

When a patient needs major oral surgery, the perennial question is: "Is it dangerous?"

If there is some danger, you can't deceive the patient into believing otherwise. But neither is there any point in increasing his fears. I put it something like this:

Always a Risk

"There's always some risk in every surgical procedure. But it's much more dangerous if you leave your mouth unattended. The safest thing you can do is to have the work done."

Children present some special problems all their own. The object here, is to prevent the child from learning fear of the dentist

in the first place. Children don't fear dental care unless they're taught to by a parent, brother or sister, other children—or the dentist, himself.

You can't control what a child hears before he enters your office, but you can control what he hears and what he does once he's there. In my office, for instance, a small ante room has been set aside just for the kids. The moment a child comes into my office with his mother, he heads for this area. There are small chairs for him to sit on, and a worktable. He has blocks or peg boards, reading and coloring books. All of it helps to distract him and keep him from thinking about his coming treatment.

Room For Kids

A colleague of mine scoffed when he saw this set up. "Enough of my office is messed up with kids," he said. "I'm not turning any more over to them."

The truth is, by giving the small fry a post of their own, I'm keeping the rest of my office in good shape. Why should they be interested in Life magazine when they have interesting objects and toys all their own to play with?

There's one firm rule I have in handling children: I don't allow their parents in the operating room.

Too many times, a hovering mother would spoil everything by saying to her darling, "Now it won't hurt a bit." Psychologically, it's the worst remark anyone can make. The shrewd little one immediately wonders why Mama said anything if it's not going to hurt. He begins to cringe in anticipation of the treatment.

Sometimes I allow a child to watch while the parent is being treated; sometimes not. It all depends on the parent. If the parent is a good patient, I'm happy to have the child stand by and watch. Otherwise, the youngster waits outside.

Modern equipment, anesthetics, and drugs have gone a long way toward taking the sting out of dentistry. *But it's up to us to help our patients realize it.* END

DENTISTS AND OTHER LIARS I HAVE KNOWN

Is truth really stranger than fiction? Not than the fiction some dentists hand out to their patients and colleagues

By ROLLAND B. MOORE, D.D.S.

A FISHERMAN I know claims he hooked a big one and was towed down to the Gulf of Mexico for a free, two-week vacation. A Texas oil man I once met said his wife had a yen for smorgasbord, so he gave her Finland. But both stories are mild compared to the malarkey some dentists hand out to patients, to colleagues, perhaps even to themselves in front of the shaving mirror.

To put it gently, some of us are stretching the truth. And if we aren't careful, our rapidly increasing rate of prevarication (I don't like to call it "lying") is going to backfire. It already has with a number of dentists I've met and heard about in recent months.

Take the case of the dentist who took up the popular game of "Cancellation." You know the one. A patient calls for an appointment and you say, "Oh, I'm afraid I'm all filled up for the next three weeks." Then, as the patient moans in disappoint-

ment, you loudly riffle the pages of your appointment book and say, "Ooops! Just a minute. I see a cancellation. Somebody can't make it tomorrow. Luckily, I can fit you in."

"My, my," thinks the grateful patient, visualizing a long line of impatient people standing in the rain before your door. *"Isn't he doing well! Must be a fine dentist."*

Makes them eager, you know? Only we're liable to overdo it. And if patients get wise, that can lead to embarrassment and poor public relations.

A dental supply salesman told me of one dentist who pulled that trick on a patient, to his later regret. When the patient came in for treatment, it was quite obvious that the dentist's reception room was empty and things were slow. During the half hour the patient was there, not one call came in and nobody else arrived.

The payoff came a few weeks later when the dentist needed the patient, who just happened to be the only plumber in town. A pipe had burst in the dentist's cellar, converting it into an excellent swimming pool.

"Come over right away!" screamed the dentist into the telephone.

"Gosh, doc," said the plumber in a drowsy voice. "I'm all booked up for the day. Two stuffed toilet bowls, a cracked hot water boiler, and a gas leak. I don't know. . . ."

"Good Lord," wailed the dentist. "I tell you I'm being *flooded. . . .*"

As the dentist waited anxiously for an answer, he could hear the sound of riffling pages. "You're in luck, doc," said the plumber. "One of those stuffed toilet bowls cancelled out on me. I'll be over this afternoon."

Then there's the dentist who got tired of hanging around the office on a slow day. So he closed up shop. But rather than admit his practice was slow, he hung a sign on the door saying, "Gone today. Mother-in-law's funeral." A year later, on another slow day, he hung up the same sign.

To some extent, it's harmless enough to impress your patients and colleagues with the demand

for your professional services. But the road of the liar is a risky one. In time, the tall tales come easier and wilder. And look what happened to a Chicago man at a recent dental convention.

This fellow was grandly telling everybody how high-priced he was. "Why, I wouldn't touch a full upper and lower case for less than $1,000," he bragged.

"*Well*," said one of his listeners, obviously impressed. "That *is* a high fee." The man sighed, "Guess I should have studied dentistry."

"You a lab technician?" asked our hero importantly.

"No. I'm with Internal Revenue," said the man. "We cover these conventions once in a while to keep informed."

Any dentist who tells about the huge fees he charges—and sneers at colleagues' lesser fees—risks having the word get around to his patients: "This fellow is too expensive. His practice is limited to rich people. Better go to somebody else."

In the theatrical world, when an actress starts playing temperamental, it's said that "she's beginning to believe her own publicity." The next thing you know producers and directors avoid her. Many a dentist I know is brainwashing himself, believing his own publicity.

Consider the effect created by

a dentist I know who's hell-bent on impressing the whole town. Each day, when he steps out for a coffee break, he hangs out a sign saying: "Gone to the bank. Back in twenty minutes."

This picture of the dentist staggering under a huge bale of money doesn't do him or the profession any good.

Another dentist and I happened to be at a social gathering recently. Most of the guests there were successful business men, and my dentist-friend wanted to hold up his end.

He told about his high fees. He raved about the superb modern office he'd just built. He moaned about the pressure of a jammed reception room filled with patients.

Then his wife, standing next to him, put her hand on his arm and spoke up. "Yes," said she proudly, "and at last I'm getting that mink coat I've wanted for so long. Isn't that right, darling?"

Everybody was listening, with respect. You know?

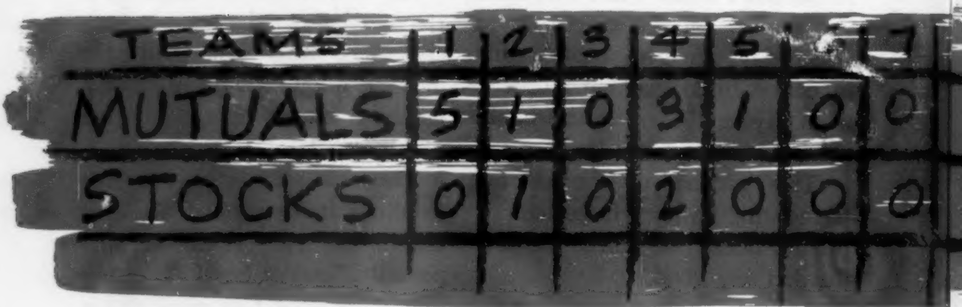
"Right," said the dentist, through a frozen smile. END

Two faced

"I want those dentures to look exactly the way my natural teeth did thirty years ago," said the patient, a man about 67. He passed an old photo of himself over to me. He was one of the first denture patients I ever had, and I decided to make this a masterpiece. I propped the photograph on a shelf where I could see it and got busy. After hours of work, I had duplicated the teeth in the picture perfectly. He tried them on, looked in the mirror, and let out a scream. "That's not my teeth, it's my brother's. I'm on the other side of the picture."

That was the first two-sided photograph I had ever seen.—*Joseph F. McDermott, D.D.S., Philadelphia, Pa.*

BOX SCORE ON THE . . .



Does professional management and diversification really pay off? This report sheds some new light on that old question

By DAVID MICHAELS

WHY invest your money in a mutual fund? There's no reason at all unless the fund managers can do a more successful job of selecting and diversifying investments than you could, yourself. And the proof can be found only in the stock quotations.

The performance of all mutual funds is an open book. You can judge for yourself whether your fund has earned its keep—whether you got your money's worth from the sales commission and management fees you paid. You can match your fund against others to see if you could have done better investing elsewhere. And if you do your own stock picking, you can compare your personal record with that of the professionals, and decide whether you'd be better off going into a fund.

The year 1960 is a good one

. MUTUAL FUNDS

for the test. It was a rough time for investors—amateurs and professionals alike.

During the long 1949-59 bull market, you could pick almost any stock out of the hat and just wait for your capital gains to start piling up. But not during 1960.

The year began with a sputter and a pop. The market plunged sharply in January and continued to sink by stages until October. By December 31, stock prices had recovered somewhat. But of the 1,125 common stocks traded on the New York Stock Exchange, nearly 60 per cent declined by 20 per cent or more from their 1959 or 1960 highs. The average drop was 36.4 per cent.

How did the mutual funds perform during this trying period? Not bad at all. Few showed impressive gains, but few suffered any large losses. On the average, the funds did a little better than the stock market indexes, and most wound up with a small net gain for the year.

In the following pages you'll find the performance records of the leading mutual funds during the year 1960, and for other selected periods. The figures must be interpreted with care. They measure *management performance*, not the results obtained by any investor who invested in the

funds. The sales charge is not included, and neither are the taxes you'd have to pay on your dividends or capital gains.

The 1960 figures include all dividends paid out, as well as the change in asset value per share. For example, if a fund's net asset value was $20 on January 1, 1960, $21 on December 31, and it paid

How 28 Unrestricted Stock Funds Performed

Name of Fund	Year 1960	5 years 1956 to 12/30/60	10 years 1951 to 12/30/60
Aberdeen Fund	−2	+70	+253
Affiliated Fund	+6	+72	+207
American Mutual Fund	+4	+60	+264
Axe-Houghton Stock Fund	−2	+35	+141
Broad Street Investing	+1	+52	+228
Century Shares Trust	+9	+41	+226
Dividend Shares	+5	+49	+193
Dreyfus Fund	+7	+118	*
Eaton & Howard Stock Fund	+2	+49	+245
Fidelity Fund	0	+44	+228
Financial Industrial Fund	−3	+39	+202
Fundamental Investors	−2	+48	+224
Incorporated Investors	−8	+30	+209
Investment Co. of America	+4	+63	+280
Investors Stock Fund	0	+52	+224
Investors Variable Payment	+1	*	*
Istel Fund	+11	+57	*
Keystone S-1	+5	+56	+231
Lazard Fund	−2	*	*
Mass Investors Trust	−1	+48	+251
One William Street	−2	*	*
Philadelphia Fund	+6	+54	+233
Scudder Stevens & Clark Com.	−2	+55	+233
State Street Investment	+4	+47	+205
Stein Roe & Farnham Stk Fund	+7	*	*
Value Line Fund	−3	+25	+127
Wellington Equity Fund	+11	*	*
Wisconsin Fund	+7	+53	+186

Source: Arthur Wiesenberger & Co.
*Company has not been in existence during the full period.

$1 in dividends, its performance record for the year would be +10 per cent.

In computing performance over longer periods, it's assumed that capital gain dividends are reinvested but income dividends are taken out in cash.

In evaluating the performance of the different funds, remember that each must be judged in the light of its investment objectives. If it does what it tries to do, it's a good fund. For comparison purposes, the funds can be broken up into five major classifications:

1. *Unrestricted stock funds.* These funds normally invest their money in a broad list of common stocks. They're not committed to any particular type or kind of investment. Sometimes, they may hold part of their assets in the form of cash or bonds, depending on the management's opinion of the market outlook.

The investment objectives of the firms in this group do vary somewhat. Some stay with the seasoned blue chips. Some stress current income. Some stress conservation of capital.

As a group, the unrestricted stock funds just about broke even last year. The sixty-three largest ones averaged a net asset gain of 1 per cent.

Of course, there were some notable differences in how the different unrestricted stock funds performed. A few of them did very much better than the averages. The Istel Fund and the Wellington Equity, for example, both gained 11 per cent. The Century Shares Trust gained 9 per cent.

2. *Growth stock funds.* These funds also put the bulk of their money in common stocks and they, too, may hold some cash or bonds from time to time. But the growth funds stress capital appreciation much more than income or safety. They put most of their assets in stocks which they think will have a better-than-average rate of growth.

Some of the growth stock funds will invest in *any* industry that appears to have good growth prospects. The Massachusetts Investors Growth Stock Fund and the National Securities Growth Stock Fund fit in that category. Others, such as the Axe Science and Electronics Fund and the Television and Electronics Fund, tend to specialize in

How 20 Growth Stock Funds Performed

Name of Fund	Year 1960	5 years 1956 to 12/30/60	10 years 1951 to 12/30/60
Atomics, Physics & Science Fund	0	+36	*
Axe Science & Electronics	−2	+54	*
Chase Fund of Boston	+8	*	*
Chemical Fund	0	+77	+287
Colonial Energy Shares	+6	+33	+166
Diversified Growth Stock Fund	+5	+114	*
Electronics Investment	+1	+95	*
Energy Fund Incorporated	+6	+98	*
Fidelity Capital Fund	+29	*	*
Growth Industry Shares	+5	+84	+313
Institutional Growth Fund	−4	+33	+201
Keystone K-2	+7	+75	+249
Mass Investors Growth Stock	+8	+90	+334
National Investors	+12	+108	+362
National Sec Growth Stk Series	+2	+81	+339
T Rowe Price Growth Stk Fund	+8	+89	+392
Putnam Growth Fund	+20	*	*
Television-Electronics Fund	+1	+83	+353
United Science Fund	−2	+69	+297
Value Line Special Situations	+3	*	*

Source: Arthur Wiesenberger & Co.
*Company has not been in existence during the full period.

one industry or group of related industries.

Last year, twenty growth stock funds rolled up an average gain of 6 per cent, nicely higher than the 1-per cent increase of the unrestricted stock funds. And a few of the growth stock funds really paid off big. The Fidelity Capital Fund gained 29 per cent, Putnam Growth Fund 20 per cent, and National Investors gained 12 per cent. Only three of the growth stock funds showed a loss for the year, and none dropped by more than 4 per cent.

3. *Balanced funds.* These funds usually keep at least 20 per cent of their assets in the form of bonds, cash, and preferred stock. Frequently, it's much more than that. While most other funds can and do buy some bonds, these balanced funds *always* keep a big share of their assets in that form.

Thus, the balanced funds represent a complete investment program. They're supposed to handle the fixed-dollar, as well as the equity, portion of your portfolio.

Usually, the balanced funds invest in more conservative stocks than the other funds. Because of that, and because they're weighted down with bonds, you can't expect them to rise as far during a bull market. But neither should they fall as far if the market slips.

During 1960, the balanced

How 7 Bond and Preferred Stock Funds Performed

Name of Fund	Year 1960	5 years 1956 to 12/30/60	10 years 1951 to 12/30/60
Investors Selective Fund	+7	+18	+50
Keystone B-1	+10	+9	+20
Keystone B-2	+4	+3	+23
Keystone B-3	+4	+7	+47
Keystone B-4	+2	+9	+56
National Sec. Bond Series	+1	−3	+30
National Sec. Pfd. Stock Series	−3	+7	+74

Source: Arthur Wiesenberger & Co.

funds turned in a creditable market performance. The thirty-one largest ones averaged a gain of 6 per cent, the same amount as the growth stock funds went up.

Naturally, none of the balanced funds shot up as much as some of the growth funds. The largest increase, registered by The Johnston Mutual Fund, was 14 per cent. But not a single one of the balanced funds showed a loss—quite a feat in 1960's tricky market.

4. *Income funds.* Some of these funds invest in only stocks; some buy bonds as well. The thing that sets them apart is the heavy emphasis they put on a high current return. They get it by in-

How 22 Balanced Stock Funds Performed

Name of Fund	Year 1960	5 years 1956 to 12/30/60	10 years 1951 to 12/30/60
American Business Shares	+9	+38	+99
Axe-Houghton Fund A	+2	+27	+121
Axe-Houghton Fund B	+2	+36	+151
Boston Fund	+9	+52	+177
Commonwealth Funds—Plan A & B	+6	+48	+130
Commonwealth Funds—Plan C	+6	+48	+127
Commonwealth Investment Co.	+3	+36	+143
Diversified Investment Fund	+3	+30	+149
Eaton & Howard Balanced Fund	+4	+35	+142
Group Fully Administered Fund	+4	+38	+115
Institutional Found Fund	+4	+36	+163
Investors Mutual	+4	+42	+139
Johnston Mutual	+14	+63	+193
Loomis-Sayles Mutual Fund	+6	+41	+133
Massachusetts Life Fund	+4	+37	+126
Nation-Wide Securities	+10	+44	+133
National Sec Balanced Series	+2	+22	+82
George Putnam Fund	+9	+55	+182
Scudder Stevens & Clark Fund	+2	+35	+119
Shareholders Trust of Boston	+5	+38	+161
Stein Roe & Farnham Bal Fund	+6	+65	+182
Wellington Fund	+5	+42	+150

Source: Arthur Wiesenberger & Co.

vesting in securities which, in turn, pay big dividends or interest. Usually, that means running above-average risks, or sacrificing chances for future capital gains.

Last year, the income funds showed an average *drop* of 1 per cent—meaning that the net asset value of these funds fell by a little more than they paid out in dividends. The Incorporated Income Fund and the United Income Fund showed the best record in this group, both gaining 5 per cent.

5. *Bond and preferred stock funds.* These mutual funds put substantially all their money into bonds and preferred stocks. Their objective, naturally, is high current income plus safety of principal.

Diversification is as important for the bond buyer as it is for the stock buyer. Yet, because bonds usually sell in $1,000 denominations, most small investors can't diversify adequately on their own. These funds are designed to meet that problem.

The seven leading bond funds showed an average gain of 4 per cent last year, which is even bet-

How 11 Income Stock Funds Performed

Name of Fund	Year 1960	5 years 1956 to 12/30/60	10 years 1951 to 12/30/60
Commonwealth Income Fund	+2	*	*
Income Fund of Boston	+1	+28	*
Incorporated Income	+5	+35	*
Institutional Income	−2	+21	*
Keystone K-1	+1	+21	+67
National Sec Dividend Series	−9	+6	+104
National Sec Income Series	−3	+29	+119
National Sec Stock Series	−5	+31	+173
Puritan Fund	0	+49	+185
United Income Fund	+5	+50	+231
Value Line Income Fund	−1	+18	*

Source: Arthur Wiesenberger & Co.
*Company has not been in existence during the full period.

ter than the 1 per cent racked up by the unrestricted stock funds. But over the last decade, as a class, the bond funds showed the lowest percentage increase of any type of mutual fund.

As you see, single-year figures must be interpreted cautiously. One year does not make or break a mutual fund. Even the best fund has an off period. So in weighing the figures, consider the five and ten-year results as carefully as the record for the year of 1960.

Even if a fund has a consistently good record, there's no guarantee it can keep it up. But the past is still the best single guide you have as to what the future will bring.

The Payoff

Nobody got rich by investing in the mutual funds last year. But neither was anybody hurt during a difficult and trying market period. For last year, at least, there's little doubt that professional management and diversification did pay off, and fund investors got just what they had a right to expect. END

Share-a-Smile Department

What's happened in the past few weeks to hand you an unexpected chuckle, Doctor?

Tell us about the remark or incident, so we can pass it along to the readers of DENTAL MANAGEMENT. Just jot down the facts, the briefer the better, and we'll do the rest—which includes mailing you a check for $10-$15 for each item accepted.

Contributions must be original, of course, and heretofore unpublished. Send to Anecdote Editor, DENTAL MANAGEMENT, Box 285 Ridgeway, Stamford, Conn. Sorry, none can be acknowledged or returned. If not accepted in 90 days, you're invited to try, try again.

How 'Average' Is Your Tax Return?

I.R.S., itself, supplies answer to knotty question. See how your own deductions compare with usual claims

By MARTIN GEYLIN

THERE'S one time nobody likes to be noticed. That's when his tax return is stacked in a pile on a Revenue Man's desk. And one sure way to catch his eye is to claim deductions which are way above average for your income level.

What is *average*?

The Internal Revenue Service,

I.R.S. Says These Are Average Deductions Claimed

Adjusted Gross Income	Contributions	Interest	Taxes	Medical Expenses
$ 7,000- 8,000	$ 258	$ 442	$ 387	$ 311
8,000- 9,000	288	477	436	356
9,000- 10,000	323	532	481	391
10,000- 15,000	413	588	605	485
15,000- 20,000	593	713	867	755
20,000- 25,000	765	834	1,097	1,007
25,000- 50,000	1,164	1,078	1,593	1,336
50,000-100,000	2,947	2,215	3,018	2,126

itself, has supplied the answer. Recently it issued figures showing how much taxpayers in different income brackets claimed on their 1958 returns, the latest year available.

According to I.R.S. calculations, more and more taxpayers now are itemizing their personal deductions instead of taking the flat, standard allowance. Almost 42 per cent itemized on their 1958 returns. On 1950 returns, only about 20 per cent of all taxpayers itemized.

Of those people who did itemize for 1958, 58 per cent put in a claim for medical expenses and 78 per cent deducted for interest. Almost everyone claimed taxes and contributions. The detailed figures are shown in the table herewith, constructed by the Prentice-Hall Dentists Tax Report from official I.R.S. statistics.

Of course, you're allowed to claim whatever your deductible expenses may be—whether they're higher or lower than the average figures. But if you do claim much above the average, your chances of being audited rise sharply. So you'd better be prepared to support your claim with facts and figures.

What if you claim much less than average? Well, maybe you're just not looking hard enough. END

Dance, ballerina

Every year my granddaughter's dancing teacher gives a recital at which each child does an interpretative dance. The audience has to guess what each child is portraying. Everyone quickly spotted the swan, the deer and the fairy, but my granddaughter's dance had them all baffled. She came out on the stage wobbling backward and forward. Finally, she jumped off with a jerk. When asked what she was supposed to be, she replied: "A loose tooth."—*L. Binder, D.D.S., Philadelphia, Pa.*

Washington Spotlight

THIS MONTH WILL MARK THE BOTTOM of the current business recession, most economists are predicting. Inventory cutting is on the wane, unemployment is leveling off, and the stock market is buoyant. Government stimulants—higher unemployment checks, public assistance, veterans' benefits, and defense expenditures—will help cut off the slump, making it the mildest of the post-war era.

PRESSURES ARE MOUNTING IN FAVOR of providing health care for the aged through Social Security. A bill to accomplish it has already been introduced, with Administration blessings. If the Kerr-Mills voluntary state program passed last year doesn't work out, the Administration plan is likely to pass. So far, only four states have put the Kerr-Mills system into effect.

YOU CAN CLAIM YOUR STATE INCOME TAXES as a professional expense, like rent and supplies, instead of itemizing them under personal deductions, says a new Tax Court decision. So you'll be able to take the standard 10 per cent for your personal expenses, and still deduct

for state taxes. Depending on your tax picture, that may save you a bundle. If you've already filed for last year, ask your tax adviser if it pays to hand in an amended return.

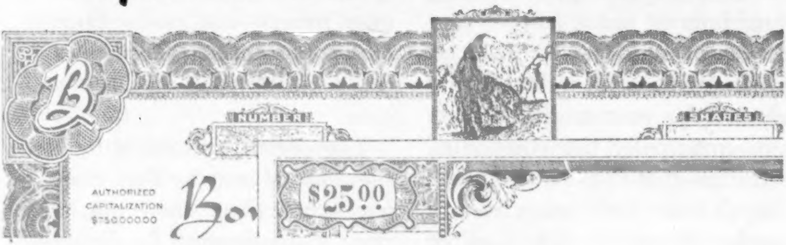
FASTER TAX WRITE-OFFS ON YOUR professional equipment is in the wind. President Kennedy promised more liberal depreciation rules during the election campaign. Now he's backing it up, saying he'll soon ask Congress for easier tax treatment on all your fixed office equipment.

FEDERAL AID OF $75 MILLION A YEAR will go to dental and medical schools if President Kennedy's health recommendations are adopted. In addition, talented dental and medical students could win scholarships of up to $1,500. The schools would receive a $1,000 grant for each scholarship student they accepted.

YOUR DAILY DIARY PLUS AN HONEST FACE may be proof enough to support your travel and entertainment deductions. The Tax Court just approved one man's claim, though he lacked the cancelled checks and receipts. The taxpayer did have a detailed diary and a good explanation. That, said the Court, was good enough.

YOU'LL SOON BE A CIPHER as far as the Federal Government is concerned. The I.R.S. is going to assign an account number to every taxpayer. It'll speed up machine processing of returns, and help the I.R.S. cross-check the dividends and interest you received.

Anyone for TAX FREE DIVIDENDS?



There are 150 different ways to avoid taxes on your dividends. These tax-free stocks are worth looking into

By ROBERT ZACKS

THE more your years of hard work begin to pay off, the more aware you become of Federal income taxes. And the more you look for refuge in the form of tax-sheltered investments.

Most dentists think first of municipal bonds, the ones issued by states, counties, and other public bodies. The interest they pay is exempt from Federal income taxes.

But if tax-free income is your goal, there's another possibility you should consider — common stocks. Last year, about 150 major companies paid dividends which, in part or in full, were free of ordinary income taxes.

These stocks — just because they are stocks—may be a much better deal for you than municipal bonds. Like any other stocks, they give you an inflation hedge and a chance to share in higher dividends and capital gains if the company is successful. On a bond, all you can get is the same fixed interest rate, plus the return of the face value at some far-distant maturity date. Also, the price you must pay for municipal bonds is much affected by their tax-exempt fea-

ture. They normally offer a lower rate of interest than other kinds of bonds—just because their interest is tax free.

Not so with tax-free stocks. Their prices and dividends are affected by so many other factors—principally the companies' earnings—that the tax advantage doesn't boost their prices by very much. Many of the tax-free stocks would be good buys even without the bonus tax feature.

Actually, that term "tax-free" is a bit misleading. In the first place, only a fraction of the interest may escape taxes. In the second place, you are liable for a capital gains tax on those dividends when you eventually sell. Here's how it's calculated:

Say you pay $50 a share for a stock. Over the next few years it pays you $20 a share in tax-free dividends. Then you sell it for the same $50 you originally paid. The tax-free dividends you received go to reduce your cost basis from $50 down to $30, so you must pay a capital gains tax on $20 a share.

Why do some stocks pay tax-sheltered dividends while most do not? The dividends those companies pay is wholly or partly a return of the stockholder's own money—not really income on his investment. That situation can arise for one of three reasons:

The corporation has a loss on the sale of assets. This doesn't necessarily mean there has been poor management. To the contrary, it may result from shrewd financing by the corporation's officers. The company may have large stock investments of its own, or subsidiary companies, or large factories not paying their way because of market changes. Any of these assets may be sold deliberately with the knowledge that the loss can be offset against current income. Thus, the company has cash to pay dividends with, but the money is a return of the stockholder's capital, not taxable income.

The corporation is allowed to deduct higher-than-normal depreciation on large fixed assets. Technically, this is known as accelerated amortization charges. The Government allows some companies, usually public utili-

ties, to claim those big deductions to encourage new capital investment and expansion of service. These deductions also leave the company with non-taxable money that it can use to pay out dividends.

The corporation is in an "extractive" industry such as mining, petroleum, or natural gas production. In such industries, the companies are allowed large deductions for the depletion of their mineral reserves. If dividends are paid out of those deductions, it's considered a return of capital.

Of course, all of those conditions can change within a company from year to year. And so can the fraction of dividends that are tax exempt. It's easily possible that a company's dividends will be entirely tax-free for many years, then only part of it will be, and then none of it. For example, the dividends paid by the El Paso Natural Gas Company were 84-per cent tax free in 1958 and 80-per cent tax free in 1959. But for 1960, all of the dividends paid were subject to taxes.

How do you know what por-

Quick set

This happened to a colleague of mine many years ago, when plaster of paris was the universal impression material. He took an over-all upper impression, waited a few minutes for it to begin to set, then stepped into his office to make a phone call. When he finished, he noticed it was lunch hour, and so he absentmindedly went out to eat. He returned an hour later, and realized to his horror that the patient was sitting doggedly in the chair, with the impression material still in her mouth. Ever so nonchalantly, my friend strolled over to the patient, and tapped gently on the plaster. "Good," he said. "In just about a minute this will be hard enough to remove."—*Samuel Levy, D.D.S., New York, N. Y.*

tion of the dividend is not subject to income tax? In most cases the corporation will send you a notice with the dividend. For instance, in November 1960 the Niagara Mohawk Power Corporation sent letters to all stockholders estimating what percentage of the common stock payments would be tax free. Early in January 1961 it sent another letter with the exact percentage. When your stock is held by your broker, it is his responsibility to let you know this information.

Obviously, the higher your income tax bracket the more you stand to gain from a tax-free stock. If you're in the 38-per cent bracket, a 4-per cent tax-free return is equivalent to 6.5 per cent earned on a fully taxable investment. For a dentist in the 50-per cent bracket, that tax-free 4 per cent is equivalent to 8 per cent earned elsewhere.

These Stocks Pay Tax-Free Dividends

Company	1960 Dividend	Per cent tax free	Recent price
California Electric Power Co.	$ .83	80%	21
Central Louisiana Electric	.93	52	31
Duquesne Light Co.	1.14	4	28
General Precision Equipment	1.00	100	66
Pacific Gas & Electric	2.60	8	80
Pacific Power & Light Co.	1.60	100	45
Philadelphia & Reading Corp.	1.00	100	46
Southern Natural Gas	2.00	8	43
Southwestern Public Service	.84	10	29
Tennessee Gas Transmission	1.26	30	24
Utah Power & Light Co.	1.32	23	38
Washington Water Power	2.00	67	48

Source of data: Merrill Lynch, Pierce, Fenner & Smith.

If the idea of tax-free dividends appeals to you, check with your broker or investment adviser. He can give you lists of stocks which have paid them in recent years, and he'll make some educated estimates of whether they'll continue doing so in the foreseeable future. Also, he'll give you his opinion of the investment outlook for the different issues.

But before you see your broker, run down the list of representative tax-free stocks in the table herewith. This table will give you a good idea of the kind of stocks now offering this tax advantage, their yields, and their recent prices. END

"Before we get started, perhaps you'd like to recheck this bill you sent me for repairing my car . . ."

Who's Afraid of a...

This new emergency service plan has won the applause of the public and dentists alike

By ROBERT ZACKS

ONE chilly March morning last year, a suburban matron stirred uncomfortably in bed, awoke, then let out a scream heard all over the county. She had a toothache.

Unfortunately for her, it was 3 o'clock on a Sunday morning. All dental offices were closed. Her husband made twenty phone calls—to dentists, friends, relatives, even to the police—before he gave up in despair. The woman squirmed in pain until a dentist could be located twelve hours later.

Such situations are not uncommon. Friends and neighbors of the victim hear about it, triggering a widening circle of poor press and poor public relations for dentistry. Dentists are sympathetic, patients fume, and there it ends.

But that particular Sunday toothache ended in another way. It started one dentist and his society to doing something about the emergency care problem. And what might have been just one more black eye for dentistry, actually wound up winning the

applause of the community.

It all began when Dr. Bertram Blum of Jamaica, New York, heard about the woman's trials in finding emergency dental care. He knew that emergency care programs are common in medicine, but rare in dentistry. He wondered why.

Dr. Blum brought the matter up before the next meeting of the Tenth District Dental Society of New York, covering the counties of Suffolk, Nassau and Queens, and won its immediate support. A new Special Committee on Emergency Dental Care was voted into being. Dr. Blum was named chairman with Drs. Stanley Halpern, Alvin I. Orlian, and Ralph Post serving with him.

The committee swung right into action. It drafted a plan offering weekend emergency coverage between 6 P.M. Saturday and midnight on Sunday. During the summer months, the hours would be expanded to include the period between 8 A.M.

Saturday and 8 A.M. Monday. On holidays, the plan would apply from 8 A.M. of the holiday morning to 8 A.M. of the next day.

The plan was designed for emergency care only, when the patient's regular dentist couldn't be reached. Dentists giving treatment would bill the patient directly. Then, they were ethically bound to refer the patient back to his own dentist. Participating dentists would be required to serve only one tour of duty a year. They'd receive notice of their assignment two weeks in advance.

Dr. Blum's committee wrote to all dentists in the society asking if they'd like to participate in the plan. Out of 2,000 members, 800

New Year's Eve at the home of Dr. Herman Stettner. During a three-hour period, he received four different emergency calls.

volunteered for service.

The Tenth District Society's telephone number was picked to serve as the emergency call number. A telephone answering service was hired to take all calls for assistance and refer them to the dentist serving that area. Of course, the answering service would be supplied with the names and phone numbers of the covering dentists.

For any emergency service to work, the public must know it exists, and where to call. The Long Island plan was kicked off in a blaze of publicity. Press releases were sent to all newspapers, and they reported it avidly.

"Long Island Dentists to Provide Emergency Week-End Service," headlined the respected New York Times. A local Long Island newspaper put it this way: "Dentists to Drill on Week-Ends."

The society's phone number was listed in the new phone directories of the three counties, Suffolk, Nassau and Queens; under the heading "Dental Treatment—Emergency." In addition, the society number was posted with police departments, hospitals, and medical societies, so desperate calls from the public could be routed immediately to the proper place.

The program began operation late in July 1960. Public reaction was instantaneous. From the very first week-end, the calls streamed in. In the following months, almost every type of dental emergency cropped up. In one typical month last year, thirty-eight emergency calls were received. Problems handled included extractions, chipped teeth, root canal drainage, ZOE placed in tooth, post-extraction hemorrhage, and oral surgery.

The police, hospitals and medical societies also were quick to make use of the new service. "You and members of your Dental Society are to be commended for your action in creating an emergency dental coverage for the residents of the county," said Stephen J. Vandewater, police chief of Garden City, Long Island, in a letter to Society president, Dr. Arthur M.

Corn. "I know from past experience that this service will be greatly appreciated, not only by this department, but by all other departments throughout the county."

What's it like to serve a tour of duty on emergency call? Listen to Dr. Herman Stettner of Bayside, New York, who found himself assigned to the New Year's week-end, December 30-31.

First Call Comes In

"I was relaxing in my easy chair, reading," Dr. Stettner recalls, "and thinking that this emergency business was a bit overdramatized. The first day and evening had passed with no calls at all.

"Then wham! The first call came in from a woman who was really worried. Her 12-year-old son, Danny Mass, had been in excruciating pain for hours. Just about every dentist in town, including her own, was away for some New Year's fun. She'd run right through the phone book with calls. All she was told, as her child screamed, was that the dentist can't be reached. That wasn't doing the dental profession one bit of good.

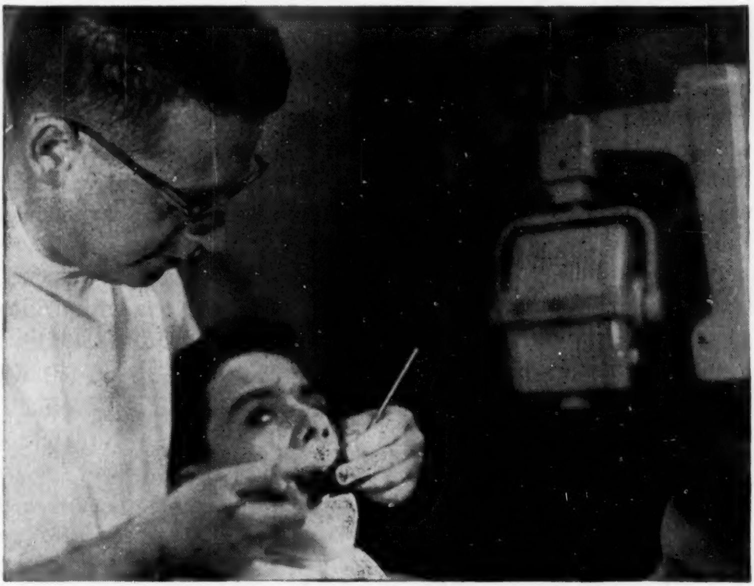
"Well, I calmed her down and told her how to get to my office. I met her there, extracted Danny's baby molar after an X-ray, and filled another deep cavity. Naturally, I'm used to helping upset mothers, but there was something different about this particular call. The mother was grateful, but not so much for dental treatment. What counted most was the fact I was waiting there, at home, just in case her little boy needed me. After all, I wasn't her regular dentist and it wasn't my regular hours for practice."

Dr. Stettner pauses, then grins. "I went upstairs feeling 'well, I've done my bit under this new plan.' Hah! I'd just gotten into my pajamas when the phone rang. This time a Mrs. Harris. She could hardly talk—every other word was a moan—and where were all the dentists, for heaven's sake, when one was needed? I gave her the address of my office, got dressed, and went down to my office again.

"As I reached the office, I heard my phone ringing. I answered it, and found it was another mother with an eight-year-old boy. If anything, she was even more upset than Mrs. Mass had been. I told her how to get to my office, then left. I had to extract an upper right molar for Mrs. Harris, and the boy needed a filling in his lower right molar.

"Again, I noticed a subtle difference in the reaction of these patients. They didn't picture me as just some warm body assigned to cover this holiday week-end, under a dental society plan. They felt I had done them an individual and extremely personal favor."

Dr. Stettner grins broadly. "And then, I went back upstairs.



Young Danny Mass' mother ran through the phone book trying to find a dentist on New Year's Eve. She contacted Dr. Stettner through the emergency care plan set up by his dental society.

No sooner did I get comfortable when a fourth call came in, from another woman in great pain. Back to the office again I went.

"It was quite a night—the busiest New Year's Eve I've ever spent. Just think. In past years emergencies like those went unattended, and patients suffered, until the week-end was over. I can see where and how resentment can grow against the dental profession, without our realizing it."

The Long Island dental emergency plan has been operating for a little short of a year, to the complete satisfaction of dentists and patients. "It's obvious that the plan fulfills a very necessary need for the public and for the public relations of the dental profession," says Dr. Stanley Halpern, present chairman of the Emergency Care Committee.

Adds Dr. Arthur Corn, president of the society: "We're happy about the whole thing. It proves that the dental profession realizes its responsibilities to the community."

Of course, there's more to an emergency service plan than good public relations. "The biggest reward is illustrated by an emergency we took care of last week in Queens," says Dr. Bertram Blum, who initiated the plan. "A girl about to become a bride was hit by a toothache one hour before the ceremony. Most unromantic, a toothache. Lucky for her, we had set up this emergency dental service."

"She became a wife on schedule," says Dr. Blum, with evident satisfaction. "And I'm told it was painless." END

Calling the shot

Patient: Before you pull my tooth, give me a shot of whiskey.

Dentist: Now that you have had it, do you feel any braver?

Patient: Yes. I'd like to see anyone try to pull my tooth now!—*Medical Secretary.*

FIRST AID for the Ailing Car

What to do when your car quits on you? You'll have no problem if you take these advance precautions

By M. TRAVIS

WE were going west through some pleasant Pennsylvania farm country when Dr. Harris noticed that the temperature gauge was rising ominously. When it hit 212 degrees, he pulled over to the side of the road.

I stepped out of the car and lifted the hood.

"Tough luck," I said. "It's the fan belt—torn to shreds. It only costs a few bucks, but we'll waste hours waiting for help. And probably get stuck with a $20 towing charge."

The doctor went to the trunk of his car.

"Will this thing help?" he said with a smile, twirling a replacement belt around his index finger.

We installed the belt in a few minutes and were on our way again.

You know that old saw: "For want of a nail. . . ." And you also know that a defective part hardly more complicated than a nail can bring your car to a quick, cold stop. Which is why, my dentist-friend explained to me, he always carried a small stock of replacement parts in the trunk of his car. That's something you should do, too, espe-

Your Safety-First Emergency Kit

Here are items to stock in the trunk of your car. Any one of them could save you from a costly and time-wasting breakdown.

FUEL PUMP. This is the heart of your fuel system. It's as important to a car as your heart is to you.

FAN BELT. Unless you drive an air-cooled car, you'd be in trouble —and the car motor too—if your present one should fail.

POINTS, ROTOR, CONDENSER. These are small in size but mighty important in sparking your plugs with power.

PLUGS (2). They seldom fail without warning, but why risk the possibility.

HEADLIGHT. When one goes you're half blind. In some areas officials won't permit you to drive, even if you're headed to a dealer for a replacement.

TAILLIGHT BULBS. A set of these is important because of their three-way job—provide rear light, signal when you are about to stop, signal turns.

FUSES. Not all cars need these but better ask a dealer, service station attendant, or refer to your owner's handbook. Order according to amperage, voltage, and size.

TIRE REPAIR KIT. On tubeless tires this may eliminate the need for removing tire from rim.

BRAKE FLUID. Get one pint of the heavy-duty quality. It'll get you safely to a repair shop in case a line breaks or a cylinder leaks.

TOOLS. Get a set of open-end and closed-end wrenches, pliers and a screw driver. Medium quality will be satisfactory since they will not be subjected to hard or frequent use.

cially if you do much long-distance traveling.

The parts to include are those most likely to break down, but which a mechanic can usually replace on the spot. Thus, the kit offers a dual advantage. It may avoid a costly tow. It'll get you rolling within minutes even if your garage or service station hasn't got the replacement in stock.

Today, there are more makes and models of cars on the American highways than at any time within the last quarter century. The average repair shop or service station can't stock replacement parts for all these vehicles. So if your car happens to need part No. X-2-B at 9 o'clock some Sunday morning, you're stuck—unless, of course, you had the foresight to include No. X-2-B in your kit.

The items you need are listed in the table herewith. The price you'll pay for those things will vary somewhat, depending on where you buy, the quality you buy, and the type of car you have. For example, a kit for a late-model Dodge might run anywhere between $15 and $37. The fuel pump alone can cost you up to $18 at a dealer's parts department. Or you might spend as little as $2.50 for a rebuilt job bought at an auto supply store. Wherever you buy, be sure to specify the make, model and number of your car, to be sure you get an exact replacement.

Medium-quality parts, bought from a reputable supplier, will do nicely for emergency use. The important thing is to get the car moving with a minimum of delay.

One final tip: Once you have your kit safely stored in the trunk of your car, be sure to tell your wife and all others who drive the car. If there's anything worse than being stuck without a spare part, it's having the part in your trunk *but not knowing it.*

Of course, you could drive for twenty years and never have to use your emergency kit. Or, you might need it tomorrow. Consider the price as a kind of insurance premium — *an investment in your safety and peace of mind.* END

The New Face of the Keogh Bill

This key tax measure is coming up for another test. Your retirement security hangs in the balance.

By MARTIN GEYLIN

THIS year, as in every year since 1951, there's a Keogh bill on the legislative docket in Washington. As you know, the bill would permit you to set up your own tax-favored retirement program—the same kind of tax break that millions of employes now enjoy through their company's pension plan.

If passed, the bill would revolutionize all your old ideas about thrift, investments, and family security. And for the first time, you'd be able to plan and save for your retirement on an equal tax footing with everyone else.

Will the bill now pass? No one can say for sure. Many of the same forces that worked against it last year are still doing so today. But last year the bill got further than ever in its long legislative history. It passed the House and the Senate Finance Committee. But the full Senate adjourned without voting on it.

This year, the bill's prospects look better than ever. For one thing, President Kennedy has gone on record in favor of it. "I myself am disposed to support the type of provisions which are contained in the bill," he said last year, while still a Senator. "I personally feel that there has been ample testimony from many sources over a long period of

time in both Houses, and that it is time to take floor action on this legislation. I hope that it will be acted upon favorably."

For another thing, this year's Keogh bill is different from its predecessors in a number of little ways. And the changes have been made to overcome the objections raised against earlier versions of the bill, the very objections that killed it last year.

To be sure, the basic tax advantages of the bill still remain. You'd be allowed to deduct 10 per cent of your income (up to a maximum of $2,500) each year for the money you set aside in a special retirement fund. The earnings of that fund would be allowed to build up and compound tax-free. You'd have to pay a tax on the money when you retire and actually draw it out, but on a more favorable basis than your other income is taxed. Anyway, by that time your professional earnings and tax bracket are likely to be much lower than they are now.

Where to invest your retirement funds? The law allows you these four alternatives:

- *An insurance plan.* You can buy any insurance policy that builds up cash values. But you can't deduct the fraction of your premiums that goes to pay for death protection, only the part that pays for the cash values.
- *A mutual fund.* You can pick any fund you want and decide how much you'll invest in it. But a bank must act as custodian, and hold the actual securities for you.
- *A trust fund.* Here a bank would serve as trustee and usually pick the individual stocks for you. Since most of the Keogh plan trusts would be relatively small, the banks will set up pooled trust funds to invest your money along with that of other people.
- *U. S. bonds.* This will be a new kind of bond, issued specifically for Keogh plan investors.

Under all of those methods, your money would be tied up until you reach the age of 59½. Then you could begin to draw it out. If you take out the money before then, except for disability or death, a special tax penalty would be imposed. At the latest,

you must begin to draw out your retirement fund at age 70½.

Such, in broad outline, is the Keogh bill today. And that much in the current bill is unchanged from last year. But many of the technical provisions—and the bill is studded with them—have been altered. Most of the changes serve to limit or restrict the tax advantages, but a few actually increase them. These are the major changes that have been made:

1. Under older versions of the Keogh bill, your retirement fund would have been taxed at the low, long-term capital gain rates. Now it'd be considered ordinary income.

But this year's bill substitutes one new advantage. You could figure the tax as if you received the money over a five-period (i.e., you compute the tax on 20 per cent of the money, then multiply by five). That way, you won't be hurt too much by the steep, progressive tax rates if you draw out all your cash in a single year.

2. If you have more than three full-time regular employees, you must give them a pension plan to get one for yourself. If you employ fewer people, the plan can cover you, alone.

If you are required to include your employes, you must contribute the same fraction of income toward their pensions as you contribute toward your own. Say, for example, that you contribute 5 per cent of your employes' pay to a retirement fund on their behalf. Then you'd be allowed to set aside no more than 5 per cent of *your* earnings for *your* pension.

3. If your employes must be covered by your plan, the waiting period before a new employe joins can't be longer than three years. And an employe's rights to the money you contribute for him can't be withdrawn if you later decide to drop the plan, or if he later stops working for you.

4. If your plan does include employes, you may be allowed to save and deduct more for yourself than the usual 10 per cent or $2,500 limit. The rule is that you can claim up to half of the total that you contributed for all your employes.

For example, if you make a pension contribution of $6,000 on behalf of all your employes, you could save and deduct $3,000 for yourself. Of course, you could also deduct the $6,000 you paid for your employes as a business expense.

5. Your age has no bearing on the amount you can deduct. Under previous bills, persons over age 50 would have been allowed to set aside and deduct for extra amounts, because they had fewer years in which to build up their retirement funds.

6. There's no lifetime limit on how much you can deduct for your restricted retirement savings. Under past bills, you could never claim more than $50,000 over your lifetime.

7. The new bill eliminates all proposed restrictions on corporate pension plans, a big reason why the measure was stalled in the Senate Finance Committee last year.

All in all, the present Keogh bill is decidedly less liberal than its early predecessors. And, of course, it's impossible to predict what additional changes will be made as it threads its way through Congress.

But those revisions have made the bill a lot more palatable to its opponents—and improved the chances of passage. The Treasury, for example, objected to last year's bill on the grounds that it covered too few people, but would cost the Government too much in lost income taxes.

Rep. Keogh estimated that this year's bill would cost only about $100,000,000 a year in lost revenue, compared to the $365,000,000 a year under an earlier bill. And the new bill would benefit some 17,000,000 people, instead of the 9,000,000 helped under the old. The Treasury, itself, has recognized that "present law does not give self-employed people tax treatment for their retirement savings comparable to that now accorded to employes covered by employer-financed pension plans. . . ."

The new face of the Keogh bill may not be quite as attractive as the old, but still it's good. And never have the chances of enactment been as bright as they are right now. END

The MAILBAG

Writes Many Prescriptions

Dear Sirs:

Cheers for Dr. McDonald and her article on the value of writing prescriptions. I haven't been in practice very long, but I have been writing a good many orders on druggists for my patients, and do they like it!

I'm sure it's helping to build my practice, and I can't understand why some of the older practitioners seem so reluctant.

D.D.S., New Jersey

Dear Sirs:

Comment by our dental customers is very favorable. Should become a valuable adjunct to the profession.

A. Leventhal and Sons, Inc.
Dental Suppliers
Allentown, Pa.

Suggests Binders

Dear Sirs:

Enjoyed reading your first issues very much — compact — informative—ideal for a busy professional man. Will you make available binders to file and keep all your issues handy on the bookshelf? . . . and include a master Table of Contents?

Warren D. Ruhnau, D.D.S.
Jacksonville, Fla.

● *We're working on this and will announce details later.*—Ed.

Helpful to Students

Dear Sirs:

Your magazine will be very helpful to our students as future dentists.

Library, School of Dentistry
St. Louis University
St. Louis, Mo.

Dear Sirs:

"The Right Way to Buy Insurance" in your February issue came at just the right time for me. I'm one of those who had been buying every new insurance that came along—and I was on the verge of signing up for another "gimmick-type" policy.

Fortunately, an insurance ad-

viser called when Mr. Levy's suggestions were fresh in mind. By studying my whole picture, he was able to recommend changes that give me better coverage all around and still save me $140 to $150 a year in premiums.

D.D.S., Wisconsin

Dear Sirs:

Small Claims Court is excellent, but it does not have a good arm to enforce its decisions. I have been awarded small claims but what if the defendant does not live up to his promise to pay?

S. Holland, D.D.S.
Brooklyn, N. Y.

Dear Sirs:

Excellent!!! Suggestion: article dealing with maximum utilization of a hygienist—decision when to hire one—ideal business arrangements to be had.

John H. Park, Jr., D.D.S.
Hurst, Texas

● *Thanks. We're working on these ideas.*—Ed.

Dear Sirs:

Please continue to send your excellent magazine.

Library, School of Dentistry
University of Pennsylvania
Philadelphia, Pa.

Prefers Compact Cars

Dear Sirs:

Your publication is the finest of its kind that I have encountered—very informative and concise, and certainly pertinent.

But the article on compact cars needs much qualification. How about all the foreign cars that stand head and shoulders above the American (to date) in workmanship and economy? Then, too, only gas mileage and resale were compared—what about the savings in tires that last twice as long, and repair bills, and oil consumption, and anti-freeze, etc., etc.?

(As you may have gathered, I drive a small foreign car and practice *full mouth* dentistry—and I'm very happy in both.)

Jack Wadlin, D.D.S.
Tulsa, Okla.

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